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BEFORE THE STATE AUDITOR  
COMMISSIONER OF SECURITIES AND INSURANCE  
STATE OF MONTANA

IN THE MATTER OF:  JOHN WILLOUGHBY, Individually and in his capacity as an insurance producer for BAD BOY BAIL BONDS, and  WANDA KADDY,  Respondents.	CASE NO.: INS-2009-71  CONSENT AGREEMENT and ORDER
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This Consent Agreement is dated this 22 day of October, 2009, and is by and between the Montana Insurance Department ("Department"), acting pursuant to the authority of the Insurance Code of Montana, § 33-1-1102, *et seq.*, Montana Code Annotated (the "Code") and JOHN WILLOUGHBY, individually and in his capacity as an insurance producer for BAD BOY BAIL BONDS & SHOTGUN WILLY'S FUGITIVE RECOVERY SERVICE.

**RECITALS**

WHEREAS, the Department opened this case alleging violations of the Code, specifically that John Willoughby and Bad Boy Bail Bonds ("Respondent") failed to register the

business name Bad Boy Bail Bonds & Shotgun Willy's Fugitive Recovery Service, with the Commissioner, violating Mont. Code Ann. § 33-17-211, and that Respondent, acting in concert, forged applications for surety bonds on several occasions, violating Mont. Code Ann. § 33-17-201.

WHEREAS, the Department has engaged in extensive investigation of the allegations contained within the case and is prepared to allege violations of the Code, specifically Mont. Code Ann. § § 33-17-201 and 211, which address name registration and signing applications for surety bonds.

WHEREAS, the Department and Respondent have agreed that the best interests of the public would be served by dismissing the case with respect to the Respondent and entering into the agreements and undertakings specified herein.

NOW THEREFORE, in consideration of the mutual undertakings herein contained the Department and Respondent hereby agree to resolve their differences and settle this matter pursuant to the following terms and conditions:

#### **SUMMARY OF ALLEGATIONS**

The action includes allegations that Respondent and his agents or employees allegedly failed to register an insurance company name with the Commissioner and forged applications for surety bonds on several occasions from June 2009 until August 2009.

#### **STIPULATIONS AND CONSENTS**

Without admitting or denying any of the allegations contained within the action, Respondent stipulates and consents to the following:

1. Respondent specifically and affirmatively waives a contested case hearing and all rights to appeal under the Montana Administrative Procedure Act, Mont. Code Ann. § 2-4-101, *et seq.*, and elects to resolve this matter on the terms and conditions set forth herein.

2. Respondent acknowledges that he was advised of the right to be represented by legal counsel and if represented by legal counsel, that such legal representation was satisfactory.

3. Respondent agrees to pay a \$1000 fine due immediately.

4. Respondent agrees to comply with the terms and conditions of this Consent Agreement, the insurance code and all other regulations of the state of Montana.

5. Respondent further understands that, upon the signing of the Final Order by the Commissioner or his representative, this Consent Agreement and Final Order will be an order of the Commissioner and failure to comply with the same may constitute separate violations of the Montana Insurance Code, pursuant to Mont. Code Ann. § 33-1-318, and/or other applicable statutes or rules, and may result in subsequent legal action by the Department.

6. Respondent understands that this Consent Agreement and Final Order are public records under Montana law and, as such, may not sealed or otherwise withheld from the public.

7. Respondent understands that this Consent Agreement is not effective until such time as the following Final Order is signed.

8. Respondent fully and forever releases and discharges the Office of the State Auditor, the elected State Auditor and all State Auditor employees from any and all actions, claims, causes of action, demands, or expenses for damages or injuries that may arise from the allegations underlying this Consent Agreement, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the action.

Pursuant to the stipulations, agreements and consent of Respondent, the Department, under the authority of the Act and Mont. Code Ann. § 2-4-603, hereby agrees as follows:

1. Under authority of the Act, the Department hereby agrees that it will not initiate any civil or administrative action against Respondent regarding the allegations contained in this action unless Respondent fails to comply with the terms of the Consent Agreement.

2. The Department has determined and shall execute contemporaneous with the Consent Agreement such documents and take such actions as are required to dismiss the case with prejudice with respect to the Respondent.

All parties to this Consent Agreement agree and acknowledge as follows:

1. The Commissioner and Department have jurisdiction over the subject matter of the above-entitled proceeding.

2. The applicable statute of limitation, Mont. Code Ann. § 33-1-317, is tolled for two years from the date of execution of this Consent Agreement with regard to the allegations set forth above. In the event Respondent violates the terms of this Consent Agreement at any time during the two-year tolling period, the State Auditor's Office reserves the right to seek additional fines of up to \$25,000.

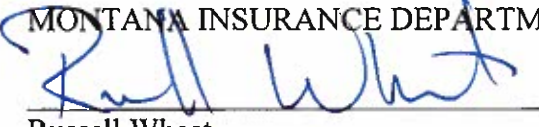
3. The Department and Respondent agree that this Consent Agreement and Final Order entered pursuant to said Consent Agreement resolve the violations set out herein;

4. The Department and Respondent agree that this Consent Agreement shall be incorporated and made a part of the attached Final Order issued by the Commissioner herein.

5. This Consent Agreement constitutes the entire agreement between the parties, there being no other promises or agreements, either express or implied.

DATED this 22 day of October, 2009.

MONTANA INSURANCE DEPARTMENT

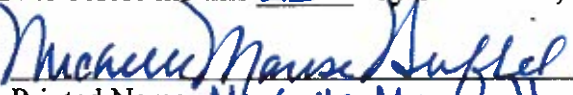
  
Russell Wheat  
Attorney for the Commissioner

DATED this 22 day of October, 2009.

John Willoughby and  
Bad Boy Bail Bonds & Fugitive Recovery Service

By:   
John Willoughby, individually and as principal for Bad  
Boy Bail Bonds & Fugitive Recovery Service

SUBSCRIBED AND SWORN to before me this 22<sup>nd</sup> day of October, 2009.

  
Printed Name Michelle Marie Huffel  
Notary Public for the State of Montana  
Residing at Helena MT  
My Commission expires March 29 2012

Approved as to form and content

  
Martin Eveland, Attorney

**ORDER**

On the basis of the Findings of Fact and Conclusions of Law found in the Notice of Proposed Agency Disciplinary Action in this matter, the foregoing Consent Agreement and Respondent's consent to the entry of this order, for the purpose of settling this matter prior to a hearing, the Commissioner orders all parties to comply with the provisions of the foregoing Consent Agreement including, but not limited to, the provision in which Respondent agrees to pay \$1000 in fines. The Commissioner further orders Respondent to comply with the Insurance Act of Montana and the rules promulgated thereunder.

Dated this 22 day of October, 2009.

MONICA LINDEEN, STATE AUDITOR



By: ROBERT MOON

Title: DEPUTY INSURANCE COMMISSIONER

**CERTIFICATE OF SERVICE**

Dated this 22 day of October, 2009

I hereby certify the foregoing Motion was served by US mail, first-class postage paid, to the following:

Martin Eveland, Attorney  
1085 Helena Ave.  
Helena, MT 59601

